



# Money Matters Program: 8th Grade

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*Is it a markup, or a markdown?*

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<b>Title</b>	<b>Money Matters Program: 8<sup>th</sup> Grade</b>
<b>Suggested Quarter</b>	<b>Any</b>
<b>Content Standards and Objectives</b>	<p><b>Objectives and Objective I.D.</b></p> <p><b>ELA.8.W.C9.2</b> Write informative/explanatory texts to examine a topic and convey ideas, concepts and information through the selection organization and analysis of relevant content. Introduce a topic clearly, previewing what is to follow; organize ideas, concepts and information into broader categories; include formatting (e.g., headings), graphics (e.g., charts, tables) and multimedia when useful to aiding comprehension. Develop the topic with relevant, well-chosen facts, definitions, concrete details, quotations or other information and examples. Use appropriate and varied transitions to create cohesion and clarify the relationships among ideas and concepts. Use precise language and domain-specific vocabulary to inform about or explain the topic. Establish and maintain a formal style. Provide a concluding statement or section that follows from and supports the information or explanation presented.</p> <p><b>ELA.8.W.C11.1</b> Conduct short research projects to answer a question (including a self-generated question), drawing on several sources and generating additional related, focused questions that allow for multiple avenues of exploration. (CCSS W.8.7)</p> <p><b>ELA.8.W.C11.2</b> Gather relevant information from multiple print and digital sources, using search terms effectively; assess the credibility and accuracy of each source; (CCSS W.8.2)</p> <p><b>M.8.EE.5</b> Graph proportional relationships, interpreting the unit rate as the slope of the graph. Compare two different proportional relationships represented in different ways. For example, compare a distance-time graph to a distance-time equation to determine which of two moving objects has greater speed. (CCSS Math.8.EE.5)</p>

<b>21st Century Skills</b>	<b>Learning Skills &amp; Technology Tools</b>	<b>Teaching Strategies Culminating Activity</b>	<b>Evidence of Success</b>
<b>Information and Communication Skills:</b>	Students work together to negotiate value and cost and to determine the price of the product.	Students will participate in an Auction Market.	Students successfully formed teams in order to invest their mutual funds into a product.
<b>Thinking and Reasoning Skills:</b>	<b>21C.O.5-8.2.LS1</b> - Student engages in a critical thinking process that supports synthesis and conducts evaluations by applying comprehensive	Teacher assists students in whole group setting and individually in the problem solving process.  The teacher will	The student will explore credit concepts and vocabulary.  Students demonstrate step-by-step the process for solving simple and compound interest

	criteria.  <b>21C.O.5-8.2.LS3</b> - Student engages in a problem solving process that divides complex problems into simple parts in order to devise solutions.	observe/assist individuals investigating credit concepts and vocabulary.	problems.
<b>Personal and Workplace Skills:</b>	<b>21C.O.5-8.3.LS2</b> - Student is flexible in approach to solving problems and completing tasks, considers alternative methods, solutions and perspectives, abandons strategies that do not work, and reallocates time and resources as priorities change.	Teacher encourages students to find an approach that solves the problems and allows the students to make mistakes as they learn.	Students are comfortable with the problem solving process, willing to persevere and try different methods until they find a solution.

<b>Performance Objectives (Know/Do)</b>	<p><b>Know:</b></p> <ol style="list-style-type: none"> <li>1. Vocabulary strategies.</li> <li>2. Decimal and percent operations.</li> <li>3. The concept of interest in terms of savings and credit/debt</li> <li>4. Interest's effect on savings over time</li> <li>5. The difference between simple and compound interest</li> </ol> <p><b>Do:</b></p> <ol style="list-style-type: none"> <li>1. Expand personal finance vocabulary.</li> <li>2. Explore varying monthly payment amounts and timelines</li> <li>3. Research publicly available corporate information</li> <li>4. Calculate the time or rate needed to double money (Rule of 72: <math>72/\text{unit of time} = \text{units of time to double}</math>)</li> </ol>
<b>Enduring Understandings</b>	<ol style="list-style-type: none"> <li>1. Credit represents an individual's financial trustworthiness.</li> <li>2. Credit decisions impact future opportunities.</li> <li>3. Learning how to manage money is an important life skill for people of all ages.</li> <li>4. The compounding of money over time through a savings account increases your buying power.</li> </ol>
<b>Essential Questions</b>	<ol style="list-style-type: none"> <li>1. How are credit card balances affected by payment schedules and timelines?</li> <li>2. What basic information should first time credit card users know?</li> <li>3. What is/are the benefit(s) of opening a savings account?</li> <li>4. How do simple and compound interest affect a savings account?</li> <li>5. How will having a savings account impact your future?</li> </ol>

<b>Learning Plan &amp; Notes to Instructor</b>	<p>The State Auditor serves as the Commissioner of Securities in West Virginia. The State Auditor's Office, Securities Division registers broker/dealers, investment advisers, and the investment firms doing business in West Virginia. The Securities Division also enforces state securities law, and offers investor education programming in an effort to thwart investment fraud. Money Matters was developed to bring the basic principles of investor education to the classroom, and has been presented to over 38,000 students since its inception in 2000. The worksheets and activities included here are designed to prepare students for the Money Matters program. The three main points covered in the Money Matters Program are:</p> <ol style="list-style-type: none"> <li>1. <b>Pay yourself first:</b> This point is about telling the students how important it is to begin saving their money. Eighth graders are too young to have jobs, but most get an allowance or are paid for doing odd jobs such as babysitting or mowing the grass. We encourage the students to save at least 10% if not more since they currently have very little expenses of their own.</li> <li>2. <b>Investigate before you invest:</b> The second point is about spending your money wisely. As eighth graders investing in the stock market is probably not top priority, but everyone can learn how to make their money count. In the exercises below, students can learn about how debt adds up, but also how to research a stock for potential investment. Each project asks the student to investigate before they make a financial decision.</li> <li>3. <b>If it sounds too good to be true, it probably is:</b> This is the final point in the Money Matters Program. Students today are tempted with many free offers online. There are numerous *click here for a free gift* boxes that pop up every time students log onto their computers. Social media pitfalls are discussed. Students are encouraged to read the fine print on their privacy page. An interesting discussion closes this section includes the dangers of identity theft.</li> </ol>
<b>Academic Prompts</b>	<p><b>Personal Finance Vocabulary (25pts.)</b> Students will be given a worksheet that lists twelve personal finance vocabulary words and their definitions. They are instructed to match the word with the correct definition.</p> <p><b>Credit Card Consequences (25pts.)</b> This worksheet is designed to teach students the consequences of charging items to a credit card. Students are to use the TCalc website to figure out which interest rate gives them the best deal on the purchase.</p> <p><b>Soda Stocks (25pts.)</b> For this activity students will compare the leading three soft drink companies in order to see the difference in their stock price, volume, market capitalization, and dividends yielded. Students will then predict which stock will do the best in the future.</p>
<b>Culminating Assessment or Product</b>	<ul style="list-style-type: none"> <li>• Students will participate in the Money Matters Program presented by the State Auditor's Office <b>(25pts.)</b></li> </ul>

<b>Links and Other Resources</b>	<p>The websites below are listed to help answer any questions you might have about personal finance or can be used to further research the topics discussed throughout the lesson plan. Included are multiple stock market websites and the website for the WV State Auditor.</p> <p> <a href="http://www.wvsao.gov/">http://www.wvsao.gov/</a> (investor education material found in Securities)  <a href="http://www.nasaa.org/investor-education/">http://www.nasaa.org/investor-education/</a>  <a href="http://www.investorprotection.org">http://www.investorprotection.org</a>  <a href="http://www.sec.gov/investor/tools/quiz.htm">http://www.sec.gov/investor/tools/quiz.htm</a>  <a href="http://www.mymoney.gov">http://www.mymoney.gov</a> (federal agencies' financial literacy outreach)  <a href="http://finance.yahoo.com/">http://finance.yahoo.com/</a>  <a href="http://www.marketwatch.com/game/wv-fbla-pbl-league">http://www.marketwatch.com/game/wv-fbla-pbl-league</a> (WV FBLA)  <a href="http://www.marketwatch.com/game">http://www.marketwatch.com/game</a> (free stock market simulator)  <a href="http://www.investopedia.com/simulator/">http://www.investopedia.com/simulator/</a> (free stock market simulator)  <a href="http://www.smartstocks.com/">http://www.smartstocks.com/</a> (stock market simulator)  <a href="http://www.smgww.org">http://www.smgww.org</a> (stock market simulator)  <a href="https://nyse.nyx.com/">https://nyse.nyx.com/</a>  <a href="http://www.jumpstart.org/">http://www.jumpstart.org/</a> (clearinghouse)  <a href="http://www.moneyasyoulearn.org/">http://www.moneyasyoulearn.org/</a>  <a href="http://www.finra.org/Investors/index.htm">http://www.finra.org/Investors/index.htm</a>  <a href="http://www.americasaves.org/">http://www.americasaves.org/</a> </p>
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#### **Acknowledgements:**

**West Virginia State Auditor Glen B. Gainer III**

James Rutledge - James.Rutledge@wvsao.gov

Justin Southern - Justin.Southern@wvsao.gov

#### **Includes Material From:**

**The Credit Frenzy**

Mary Ann Gaston

**Will I Ever Have Enough Money?**

Pat Mick

Name \_\_\_\_\_

## Soda Stocks

Answer the following questions about popular soft drink parent companies. **(25pts.)**

1. The three most popular soft drink parent companies are Coke, Pepsi, and Dr. Pepper/Seven Up. Use Yahoo Finance, Google Finance, Bloomberg or another financial news source to find the following information for these three companies:
  - What is the Stock Symbol for each company:
    - Coke--
    - Pepsi--
    - Dr. Pepper/Seven Up (Dr. P.)--
  - The price of the three stocks 2 years ago, 1 year ago, 1 month ago, and today?

Coke -- 2 years ago:	1 year ago:	1 month ago:	today:
Pepsi - 2 years ago:	1 year ago:	1 month ago:	today:
Dr. P. - 2 years ago:	1 year ago:	1 month ago:	today:
  - What is the 52 week high and 52 week low (range) for the three stocks?

Coke -- 52 week high:	52 week low:
Pepsi - 52 week high:	52 week low:
Dr. P. - 52 week high:	52 week low:
  - What is the average stock volume?

Coke:
Pepsi:
Dr. P.:
  - What is the Market Capitalization?

Coke:
Pepsi:
Dr. P.:
  - The Dividend Yield?

Coke:
Pepsi:
Dr. P.:
  - Look at the stock charts of the three companies over the last year. Do they move together or apart from each other? Why do you think this is?

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- Has the stock price for soft drinks been going up or down in the last week? Why?

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2. Use the percent of gain or loss over the past two years for each of these stocks to determine which stock did the best and which stock did the worst. Why do you think this occurred?

- Best Stock:

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- Worst Stock:

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- Which stock do you predict will do best in the future and why?

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## Soda Stocks Rubric

Categories	6pts.	4-5pts.	2-3pts.	1pts.
<b>Support</b>	Most major points are supported with specific detail	Some points supported by specific detail	Most points supported by general statements	There is an attempt at supporting statements
<b>Use of Resources</b>	The student easily locates soft drink brands and their stock information.	The student is able to locate soft drink brands and stock information independently.	The student has some difficulty locating and using the soft drink brands and their stock information.	The student requires frequent assistance in finding soft drink brands and their stock information.
<b>Format</b>	Follows accepted standard formatting guidelines and is the requested length	Follows most of the accepted formatting guidelines and is the requested length	Does not follow accepted standard formatting guidelines and is over or under the requested length	Does not follow accepted standard formatting guidelines and is significantly over or under the requested length
<b>Spelling and Grammar</b>	Grammar and spelling are correct.	There are few errors in grammar and/or spelling.	There are some errors in grammar and/or spelling.	There are many errors in grammar and/or spelling.



Name \_\_\_\_\_

## Credit Card Consequences

You want to buy an Xbox for \$499. You can either use a bank-issued credit card with 15% interest rate or the store credit card with 29.99% interest rate and 10% off the purchase price. Your monthly payment for the cards is \$20. Figure out the difference in costs for the first month's payment; taking into account how much of the \$20 goes toward the initial cost of the Xbox and how much of the payment will go toward paying off the interest acquired. **(25pts.)**

Go to this website: <http://tcalc.timevalue.com/> and click on **Credit Card Payoff** to help answer these questions.

1. Which card offers the best deal?

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2. How long will it take to pay off each card at \$20 monthly payments?

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3. Which card will save you more in interest?

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4. By the time you pay off the card will the Xbox still be the newest one on the market?

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Name: \_\_\_\_\_

## Personal Finance Vocabulary Worksheet

Listed below are a set of twelve personal finance vocabulary words and their definitions. Match the word with the definition that you believe to be correct. **(25pts.)**

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|-------------------------------|------------------------|
| 1. ____ Stock Exchange        | 7. ____ Debit Card     |
| 2. ____ Credit Score          | 8. ____ Brand          |
| 3. ____ Interest Rate         | 9. ____ Parent Company |
| 4. ____ Market Capitalization | 10. ____ Market Price  |
| 5. ____ Credit Card           | 11. ____ Volume        |
| 6. ____ Loan                  | 12. ____ Principal     |

- A. A corporation or other business enterprise that owns controlling interests in one or more subsidiary companies
- B. The amount of initial investment, initial debt, or funds put into savings
- C. The number of shares or contracts traded in a security or an entire market during a given period of time
- D. The price at which a commodity, security, or service is selling in the open market
- E. An association of brokers and dealers in stocks and bonds who meet together and transact business according to fixed rules
- F. An electronic card issued by a bank which allows bank clients access to their checking account to withdraw cash or pay for goods and services
- G. Numeric expression of a person's creditworthiness that is used by lenders to estimate if and how a person will repay his or her debts
- H. The overall value of all shares of a publicly-traded company's stock
- I. A percentage of the principal amount that serves as the cost of using that money
- J. A distinguishing symbol, mark, logo, name, word, sentence or a combination of these items that companies use to distinguish their product from others in the market
- K. A card issued by a financial company giving the holder an option to borrow funds, usually at point of sale
- L. The act of giving money, property or other material goods to another party in exchange for future repayment of the principal amount along with interest or other finance charges